GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:1428
ANSWERED ON:11.12.2003
CHARGES BY PGC FROM NORTH EASTERN STATES
MONI KUMAR SUBBA

Will the Minister of POWER be pleased to state:

(a) whether the Government of Assam has appealed to the Union Government to lookinto the States grievance on the issue of discriminatory rate of 35 paise per unit charged by the Power Grid Corporation from the North Eastern States against 12 paise charges in respect of other regions; and

(b) if so, the Government`s response thereto to do away with the discriminatory treatment?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER(SHRIMATI JAYAWANTI MEHTA)

(a) & (b) : In the 53rd meeting of North Eastern Regional Electricity Board held on17.10.2003, the North Eastern States raised the issue of fixing of transmission tariff for North Eastern Region to a level not higher than the national average.The transmission tariff of 35 paise was fixed by North Eastern Electricity Board on 13.11.1997 and wasagreed to by all the State Power Utilities of the North Eastern Region based on the projected Central sector energy transfer during 1998-99. Even after completion of new transmission projects by POWERGRID in the Region subsequently at a capital cost ofmore than Rs.1000 crore, the Central Electricity Regulatory Commission directed POWERGRID to continue charging transmission charges at the rate of 35 paise per unit.

The transmission tariff in the other regions is determined on the basis of the costs of the projects. In case the same norms are applied in North Eastern Region, thetransmission tariff in the Region would be much higher than 35 paise per unit. POWERGRID have suffered considerable revenue loses in North Eastern Region on account of restricting the transmission tariff at 35 paise per unit.